

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6090

BILL NUMBER: HB 1042

NOTE PREPARED: Mar 1, 2005

BILL AMENDED: Feb 28, 2005

SUBJECT: Alcoholic beverage permits.

FIRST AUTHOR: Rep. Duncan

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) The bill provides that an individual may be denied an alcoholic beverage employee's permit if: (1) the individual has two convictions for operating while intoxicated that occurred within 10 years before the date of the application; or (2) the individual completed serving a sentence for a conviction of operating while intoxicated within two years before the date of the application. The bill also provides that an individual has three convictions for operating while intoxicated, the individual may apply to the Alcohol and Tobacco Commission (ATC) and the ATC has the discretion to grant or deny the application.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) This bill allows a person that:

- (1) has two unrelated convictions for operating while intoxicated (OWI), and at least one of those convictions was more than 10 years before applying; or,
- (2) has completed a sentence for a conviction for OWI more than two years before applying;

to be granted an alcoholic beverage employee's permit. The bill also allows the ATC the discretion to grant or deny an application by a person with 3 unrelated OWI convictions.

The ATC estimates that in 2004 about 15 to 25 more individuals would have been permitted to apply. There is a biennial fee of \$30 for an employee's permit. Revenue from this fee is deposited in the Excise Police Retirement Fund to pay benefits and administrative costs. Surplus revenue goes to the Enforcement and

Administration fund for ATC administrative costs. In FY 2004 the total revenue from employee's permit fees was \$1,646,977.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

Information Sources: Chairman Bart Herriman, Alcohol and Tobacco Commission.

Fiscal Analyst: Adam Brown, 317-232-9854.